WEEKLY ECONOMIC REVIEW

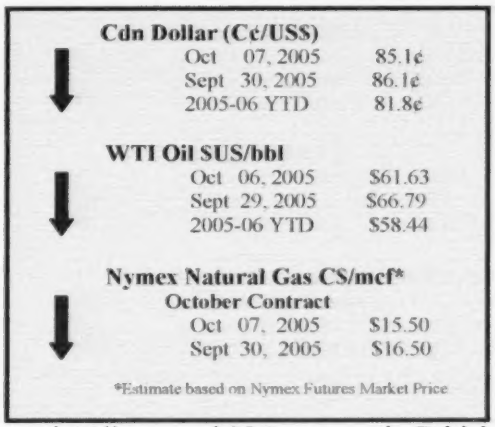
OCTOBER 7, 2005

U.S. employment declined by 35,000 in September and the unemployment rate rose to 5.1%. Job losses related to Hurricane Katrina were mostly offset by developments in national employment.

Canadian employment fell by 2,300 jobs in September, the first decline in eight months. To-date, Canada has created 135,000 jobs in 2005, all of which have been full-time positions. A slight decline in the labour force caused the unemployment rate to fall by 0.1 percentage points to 6.7 per cent.

Alberta continues to have the lowest unemployment rate among the provinces, at 4.1 per cent in September. Although employment was down 3,300 jobs in September, Alberta has created 27,667 jobs between January and September this year as compared to the same time period in 2004.

Canadian building permits broke a record in August, reaching $5.4 billion, up 10.4 per cent from July 2005. The strength of the construction sector in both Alberta and British Columbia contributed to approximately 87 per cent of the year-to-date gain, with building permits up 41.5 per cent in Alberta and 25.9 per cent in British Columbia to-date.



Persistent cool, wet weather continues to affect crop maturity and harvesting activities in Alberta. Statistics Canada estimates production increases in Alberta canola (+4 per cent), oats (+9.6 per cent) and spring wheat will offset production declines in Alberta barley (-9.3 per cent) and field peas (-8.9 per cent).

Although fuel stocks fell heavily this week, oil prices retreated on falling refined oil demand, down an estimated 2.9 per cent over the past four weeks.

Economic Indicators Released this Week	Reference Period	Month/Previous Month	Month/Previous Year's Month	Year-to-date[1]
Rigs Drilling	**September**			
Alberta	392	-7.3%	43.9%	16.2%
Building Permits	**August**			
Alberta	847	1.9%	48.5%	41.5%
Canada	5,412	10.2%	17.6%	10.4%
Employment	**September**	**Gain/Loss from Previous Month (#)**	**Month/Previous Year's Month (Y/Y)**	**Year-to-date[1]**
Alberta	1,783,900	-3,300	12,800	1.6%
Canada	16,198,400	-2,300	195,000	1.4%
United States	134,041,000	-35,000	2,161,000	1.7%

Source: Statistics Canada and Bureau of Labor Statistics

[1]Year-to-date 2005 compared to the same time period in 2004. For example: January-September 2005 versus January-September 2004